

HOUSE BILL 92

By Borchert

AN ACT to amend Tennessee Code Annotated, Title 8,
Chapter 35, Part 2, relative to Highland Rim
economic corporation participation in the
Tennessee consolidated retirement system.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 8, Chapter 35, Part 2, is amended by
adding the following language as a new section:

Section 8-35-249.

(a) The Highland Rim economic corporation shall be eligible to be a
participating employer in the Tennessee consolidated retirement system upon:

(1) Passage of a resolution by the corporation's board of directors
authorizing an actuarial study; and

(2) Passage of a resolution by the corporation's board of directors
authorizing such participation and accepting the liability as a result of the
participation by its full-time employees.

(b) The employees of the corporation shall make the same contributions,
participate in the same manner, and shall be eligible for the same benefits as
employees of local governments participating in the retirement system under this
part.

(c) The employees shall be entitled to credit for prior service as approved
by the board of directors of the corporation under the same provisions which
apply to employees of local governments.

(d) The retirement system shall not be liable for the payment of
retirement allowances or other payments on account of employees of the
corporation or their beneficiaries for which reserves have not been previously

created from funds contributed by the corporation, its employees or the corporation and its employees.

(e) In case of the withdrawal of the corporation as a participating employer, the benefits of the members and beneficiaries shall be determined in accordance with the provisions of § 8-35-211.

(f) It is the legislative intent that the state shall realize no increased cost as a result of this section. All costs associated with retirement coverage, including administrative costs, shall be the responsibility of the corporation.

SECTION 2. This act shall take effect July 1, 2007, the public welfare requiring it.